

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1131 – SB 1072

March 16, 2017

SUMMARY OF BILL: Authorizes a person to operate an autonomous vehicle (AV) without a human driver present if financial responsibility requirements are met, the vehicle can enter a minimal risk mode if the autonomous technology experiences a critical safety-related failure, and the AV is capable of operating in compliance with the applicable traffic and motor vehicle laws of this state. Authorizes the Department of Safety (DOS) to grant an exemption for AV's that do not meet the operational requirements of the bill. Requires DOS to create an appropriate form for reporting covered AV accidents. Specifies that DOS is the sole and exclusive agency to administer regulations related to AV's. Removes the ability of local government or any state entity to impose a tax or additional requirements on AV's or AV technology.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$25,000/FY17-18

\$138,800/FY19-20

\$76,300/FY20-21 and Subsequent Years

Assumptions:

- DOS is required to create an appropriate form for reporting AV accidents pursuant to the legislation. A one-time increase in state expenditures of \$25,000 will be required in FY17-18 to enhance the e-Citation system to comply with this provision of the legislation.
- One additional Tennessee Highway Patrol (THP) Sergeant will be required with a working knowledge of commercial motor vehicle federal regulations, crash investigations, and traffic and motor vehicle laws in both autonomous and traditional vehicles. The additional position will also develop autonomous vehicle policies used throughout the state.
- The recurring increase in state expenditures for one THP Sergeant is estimated to be \$76,262 (\$55,181 salary + \$16,081 benefits + \$5,000 AV training)
- The one-time increase in state expenditures for one THP Sergeant is estimated to be \$62,500 (\$500 firearm + \$62,000 vehicle).
- However, due to an uncertainty in the timing of automated vehicle technology advancements and its popularity with the public, it is unclear as to when the additional position would be required by the DOS. It is not estimated the additional position will be required immediately or in the upcoming budget year. However it is reasonably

estimated that the demand will be sufficiently met and the position will be required approximately three years out, or by FY19-20. Funding for such position will require appropriations from the General Fund.

- The increase in state expenditures from the General Fund in FY19-20 is estimated to be \$138,762 (\$76,262 + \$62,500); and the recurring increase in state expenditures from the General Fund beginning in FY20-21 is estimated to be \$76,262.
- The provisions of the legislation will not impact any fees or taxes relative to automobiles.
- The Department of Transportation (TDOT) confirms that the provisions of the legislation name the DOS as the sole approving authority in all aspects of autonomous vehicles; therefore, any impact to TDOT is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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